GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

YAT&C Department - Approval to takeover 20 acres of land from M/s. Vaishnovi Versatile Ventures Pvt. Ltd. for setting up of Oberoi group (Vilas) resort and allotment of balance 10.32 acres of land on lease basis & grant of Incentives for Development of Five star hotel under 'Novotel' brand at Tirupati as per the provisions of AP Tourism Policy 2020-25 - Orders - Issued.

YOUTH ADVANCEMENT, TOURISM AND CULTURE (T) DEPARTMENT

G.O.MS.No.12 Dt:04.07.2022

Read the following:

1. G.O.Ms.No.11, YAT&C(T)Dept., Dt:28-12-2020.
2. G.O.Ms.No.24 , YAT&C(T) Department, Dt: 24-11-2021.
3. Letter received from Sri K.Ajay Kumar, Managing Director, M/s. Vaishnovi Versatile Ventures Pvt. Ltd (DEVLOK), Perur, Tirupati. Lr Dt:05.01.2022.
4. Minutes of the SIPC Meeting, Dt:21.06.2022.
5. Minutes of the SIPB Meeting, Dt:22.06.2022.
6. U.O.Note.No.206/2022, G.A. (CABINET) Department, Dt:24.06.2022.(Council Resolution No.206/2022)

* * *

ORDER :-

The State of Andhra Pradesh is blessed with the country's second longest coastline (974 Kms) and perennial rivers and scenic backwaters, is home to one of the world's most visited religious destinations, is considered as the birth place of Mahayana Buddhism and boasts of a vibrant and rich culture and heritage. Evidently so, Andhra Pradesh is the fourth most visited state for domestic tourists in the country.

2. The Andhra Pradesh Tourism Policy 2020-2025 issued vide reference 1st read above, indicates the vision of the Government to develop the State into a premier world class tourist destination through luxury resorts, MICE centres, adventure parks and other tourism infrastructure. The Policy offers industry best incentives, attractive terms for land allotment that shall position the state as a premier world-class tourism destination with robust infrastructure. The state has been witnessing an increased interest from private players for investment in Tourism projects. The development of proposed 5-Star and above projects/Mega Projects/Large Tourism Projects through private investment will be a testament to the vision of the Government, to develop luxury and iconic projects in the state and will greatly aid in the overall development of the state.

3. In the reference 2nd read above, the Government have approved for allotment of Ac.20.00 cts. to M/s Mumtaz Hotels Ltd., a subsidiary company of M/s EIH Ltd, a flagship company of the Oberoi Group for Development of Oberoi (Vilas) resort subject to the condition that Ac.07.00 Cts. will be immediately handed over to the investor and the remaining adjacent land of Ac. 13.00 Cts will be handed over from M/s VVVPL (Vaishnovi Versatile Ventures Pvt. Ltd). Special Chief Secretary to Government, YAT&C(PMU) Dept.,

(Contd..2)

has entered Authorization Agreement with the Developer of M/s VVVPL Sri K. Ajay Kumar on 30.09.2013 vide G.O.Ms.No.65, Dt.14.06.2012 & G.O.Ms.No.50, Dt: 30.09.2013.

4. In the reference 3rd read above, Sri K.Ajay Kumar, Managing Director, M/s. Vaishnovi Versatile Ventures Pvt. Ltd (DEVLOK), Perur, Tirupati in his lr has requested to approve the project afresh under the New Tourism Policy of Andhra Pradesh 2020-2025 and approve the project with a lease period of 99 years or 66 years with an extension of another 33 years after 66 years is completed on mutually agreed terms. He is also requested to fix the lease rentals as 1% of land value for the project land and provide them with all other incentives as per Tourism Policy 2020-2025. In their belief to support Government initiatives they are agreeing to hand over 20 Ac of land on consideration of the above.

5. Accordingly, the proposal was placed before the State Investment Promotion Board (SIPB) meeting held on 22.06.2022 with the recommendations of the State Investment Promotion Committee (SIPC) in it's meeting held on 21.06.2022. After detailed discussions, the board has recommended to takeover 20 acres of land from M/s. Vaishnovi Versatile Ventures Pvt. Ltd. for setting up of Oberoi group (Vilas) resort and allot balance 10.32 acres of land on lease basis & grant of Incentives for development of Five star hotel under 'Novotel' brand at Tirupati as per the provisions of AP Tourism Policy 2020-25 to M/s. Vaishnovi Versatile Ventures Pvt. Ltd.

6. The Government after careful examination of the matter, has approved the following as per the provisions of AP Tourism Policy 2020-25:-

6.1. It is approved to take over 20 acres of land out of 30.32 acres of land in Sy. No. 604 allotted to M/s VVIPL and handover to Oberoi group for setting up of Oberoi (Vilas) resort.

6.2. It is approved to allot afresh 10.32 acres of land out of 30.32 acres at Sy.no. 604 on Lease basis under PPP mode and grant incentives based on the recommendations of State Investment Promotion Board to M/s. Vaishnovi Versatile Ventures Pvt. Ltd as given in its minutes at Annexure-I.

6.3. As a consequence to SIPB Resolution:-

(a) It is approved to cancel G.O.Ms.No.65, Dt.14.06.2012 & G.O.Ms.No.50, Dt: 30.09.2013.

(b) Based on the recommendations of the State Investment Promotion Board (SIPB) following are the land allotment terms:-

i. Allotment of Ac.10.32 cts. at Sy.no. 604 at Peruru village, Tirupati rural mandal, Tirupati District (erstwhile Chittoor District) to the investor subject to completion of due process to take over 20 acres of land from M/s. Vaishnovi Versatile Ventures Pvt. Ltd. (VVVPL) and handing over of the land to M/s Mumtaz Hotels Ltd., a subsidiary company of M/s EIH Ltd, a flagship company of The Oberoi Group allotted vide Cabinet Resolution No. 244/2021 dt. 28.10.2021, and G.O.Ms.No.24 , Dt: 24-11-2021.

(Contd..3)

ii. Allotment of land on Lease basis under PPP mode is for a period of 66 years (including construction period of 3 years).

iii. Annual Lease Rental of 1% of the SRO (Sub Registrar Office) value of the land with enhancements of 5% in a block of 3 years.In addition to the Annual lease rent, ADP shall be considered equivalent to the higher of the following:

a) 10% of Gross Revenue (in case the gross revenue for a particular financial year is lesser than the projected revenue as per the DPR submitted by the investor, the higher of the two will be considered).

b) Annual Rentals on 15% of the rooms and Rentals on 20 days of Convention centre.

iv. Return the invoked bank guarantee amount of Rs 10 Cr. to M/s. Vaishnovi Versatile Ventures Pvt. Ltd. (VVVPL).

v. Collect a Project Development Fee amounting to 1% of the project cost and a Performance Guarantee amounting to Rs. 10 Cr. from the investor.

vi. The following are the incentives based on the recommendations of the State Investment Promotion Board (SIPB) are only admissible:-

a) 100% Waiver of Land Use Conversion charge

b) Reimbursement of 100% of stamp duty for lease of land

c) Reimbursement of 100% of net SGST accrued to state for a period of 5 years from COD or up to realization of 100% fixed capital investment, whichever is earlier.

d) Fixed Cost Power Reimbursement at Re. 1 per unit for a period of 5 years from COD subject to a maximum of 25 Lakh units per annum.

7. The Managing Director, Andhra Pradesh Tourism Development Corporation Limited, Vijayawada shall take further necessary action, accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RAJAT BHARGAVA
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, Andhra Pradesh Tourism Development Corporation Limited, Vijayawada.
The Chief Executive Officer, Andhra Pradesh Tourism Authority, Vijayawada.
The Sri K.Ajay Kumar, Managing Director, M/s. Vaishnovi Versatile Ventures Pvt. Ltd (DEVLOK), Perur, Tirupati
The Collector and District Magistrate, Tirupati.

(Contd..4)

Copy to:
The Additional Secretary to Hon'ble CM.
OSD to Hon'ble Minister for Tourism (TC & YA).
PS to Special Chief Secretary to Government.
The GA(Cabinet) Department, A.P.Secretariat, Velagapudi.
PS to Special Chief Secretary to Government & CIP,
Industries and Commerce Dept., A.P.Secretariat, Velagapudi.
PS to Principle Finance Secretary to Government,
Finance Dept., A.P.Secretariat, Velagapudi.
SF/SC.

// FORWARDED :: BY ORDER//

SECTION OFFICER